

# sec news digest

Issue 76-135

(SEC Docket, Vol. 9, No. 20 - July 27)

July 13, 1976

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## COMMISSION ANNOUNCEMENTS

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HERBERT D. SCHOLL, WILLIAM F. ROBINSON, JR.  
NAMED AS BRANCH CHIEFS

Richard H. Rowe, Director of the Division of Corporation Finance, announced the appointment of William F. Robinson, Jr. and Herbert D. Scholl as Branch Chiefs of two of the Division's Branches of Corporate Analysis and Examination. In their new positions, Mr. Robinson and Mr. Scholl will be responsible for directing, supervising, and coordinating the review, examination, and other activities of two of the Division's processing branches.

Mr. Robinson received his undergraduate degree from Hampden-Sydney College, his masters degree in business administration from the Harvard Business School, and a law degree from the Duke Law School. He joined the Commission's staff in 1970 as an attorney-adviser in one of the Division's processing branches and has held progressively more responsible positions since that time.

Mr. Scholl received his undergraduate degree, as well as a masters degree in business administration, from the University of Wisconsin. He joined the Commission's staff in 1967 as a financial analyst in the Commission's Division of Trading and Markets and transferred to the Division of Corporation Finance in 1969 as a financial analyst in one of the Division's processing branches. Mr. Scholl has held more increasingly responsible positions in the Division's processing branches since that time.

Mr. Robinson will be Chief of Branch No. 14, succeeding Morton Koepfel, who was recently promoted to the position of Assistant Director of the Division. Mr. Scholl will be Chief of Branch No. 4, succeeding Ernestine M.R. Zipoy, who was also recently promoted to the position of Assistant Director of the Division.

REQUEST PURSUANT TO THE FOIA GRANTED  
IN PART AND DENIED IN PART

The Commission has granted in part and denied in part the request of Timothy W. Kenna for access to certain memoranda and manuals relating generally to the Commission's enforcement activities. The request, made pursuant to the Freedom of Information Act, had previously been denied in part and granted in part by the Commission's staff, and the denials were appealed to the Commission. The Commission affirmed in part the staff's determination and denied access to some of the requested documents and portions of other documents because the material consists of "intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency" and "investigatory records compiled for law enforcement purposes . . . production [of which] would (E) disclose investigative techniques and procedures." See 5 U.S.C. 552(b)(5) and 5 U.S.C. 552(b)(7)(E). The Commission granted access to other documents and portions of documents which consisted of factual material or material the disclosure of which would not interfere with the Commission's enforcement efforts. (Rel. FOIA-47)

NOTICE OF CORRESPONDENCE REGARDING COMPLIANCE  
BY BUNKER RAMO CORP. WITH DISPLAY REQUIREMENTS OF  
RULE 17A-15

The SEC released the texts of correspondence between its staff and Bunker Ramo Corporation (Bunker Ramo) concerning compliance with Bunker Ramo with Rule 17a-15 insofar as that rule requires, through the operation of plans declared effective pursuant to its provisions, that vendor interrogation systems display consolidated last sale information in accordance with specified requirements. (Rel. 34-12612)

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## COURT ENFORCEMENT ACTIONS

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### APPLE VALLEY DEFENDANTS PLEAD GUILTY AND NOLO CONTENDERE

The Denver and Los Angeles Regional Offices announced that five of the seven defendants indicted by the United States Grand Jury on March 17, 1976 on charges of securities fraud, have pled guilty or nolo contendere to various charges specified in or arising from the indictment. On April 5, 1976, LaVerne Meyer, originally of Mankato, Minnesota, pled guilty to one count of an information charging him with being an accessory after the fact in the sale of an unregistered security and sentencing is set for July 19, 1976. On April 24, 1976, Pioneer National Trust Company of Arizona, Tucson, Arizona, pled nolo contendere to two counts of the sale of unregistered securities and the Court imposed a fine on Pioneer National Trust Company of Arizona in the amount of \$20,000. On June 11, 1976, Paul R. Stulgin of Tucson, Arizona, pled guilty to one count of an information alleging violation of the antifraud provisions of the Securities Exchange Act of 1934, and was sentenced on June 25, 1976 to three years probation and a \$5,000 fine. The indictment was then dismissed as to Stulgin. On June 21, 1976, Harry Bechtel of Eloy, Arizona, former president of Apple Valley Enterprises, Inc., pled guilty to two counts of the sale of unregistered securities and sentencing was set for July 23, 1976. On June 23, 1976, Roger Hagen of Mankato, Minnesota, pled guilty to one count of the sale of unregistered securities, and sentencing was set for July 15, 1976. The trial with respect to Sheldon Nathanson of Las Vegas, Nevada, a former officer of Apple Valley Enterprises, Inc., has been scheduled for July 7, 1976. All counts of the indictment charging Apple Valley Enterprises, Inc. have been dismissed on the motion of the United States Attorney due to the fact that Apple Valley Enterprises, Inc. is no longer in existence. (U.S. v. Apple Valley Enterprises, Inc., et al., CR 76-147-TUC). (LR-7486)

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## INVESTMENT COMPANY ACT RELEASES

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### DAIN, KALMAN & QUAIL, INC.

An order has been issued on an application of Dain, Kalman & Quail, Inc. (Applicant), a sponsor of Multiple Maturity Tax-Exempt Bond Trust, Second (and subsequent) Series, exempting the secondary market operations of Applicant from the provisions of Rule 22c-1. (Rel. IC-9339 - July 12)

### READY RESERVES TRUST

A notice has been issued giving interested persons until August 6 to request a hearing on an application by Ready Reserves Trust, a Massachusetts business trust registered under the Investment Company Act of 1940 as an open-end management company, for an order pursuant to Section 6(c) of the Act exempting the applicant from the prohibition of Rule 19b-1 against the distribution by a registered investment company of long-term capital gains income more than once during any taxable year. (Rel. IC-9348 - July 9)

### VIKING GROWTH FUND SYSTEMATIC INVESTMENT PLANS

A notice has been issued giving interested persons until August 3 to request a hearing on a proposal by the Commission to declare that Viking Growth Fund Systematic Investment Plans has ceased to be an investment company. (Rel. IC-9349 - July 9)

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## HOLDING COMPANY ACT RELEASES

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### ALLEGHENY POWER SYSTEM

A notice has been issued giving interested persons until August 3 to request a hearing on a proposal of Allegheny Power System, Inc. and two of its subsidiaries, the Potomac Edison Company and West Penn Power Company, to exchange certain utility assets between the two subsidiary companies. (Rel. 35-19608 - July 9)

### MIDDLE SOUTH ENERGY, INC.

A notice has been issued giving interested persons until August 3 to request a hearing upon a proposal of Middle South Energy, Inc., a subsidiary of Middle South Utilities, Inc., to increase the amount of its authorized long-term bank borrowings from \$353,500,000 to \$465,000,000. (Rel. 35-19609 - July 9)

## OHIO EDISON COMPANY

An order has been issued authorizing Ohio Edison Company, a registered holding company and an electric utility company, to issue and sell \$60 million aggregate principal amount of first mortgage bonds at competitive bidding and to issue \$214,000 aggregate principal amount of first mortgage bonds for sinking fund purposes. (Rel. 35-19610 - July 9)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until July 25 to request a hearing on an application of the Philadelphia Stock Exchange for unlisted trading privileges in the common stock of Bankamerica Corporation. (Rel. 34-12620)

### UNLISTED TRADING GRANTED

An order has been issued granting the applications of the following stock exchanges for unlisted trading privileges in the common stock of the specified companies:  
Midwest Stock Exchange - Saxon Industries, Inc.; Philadelphia Stock Exchange, Inc. - Reserve Oil and Gas Company. (Rel. 34-12621)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The Pacific Stock Exchange Incorporated has filed a proposed rule change under Rule 19b-4 (SR-PSE-76-21) to expand by ten the number of underlying stocks on which it may approve trading in call options. Publication of the proposal is expected to be made in the Federal Register during the week of July 12. (Rel. 34-12613)

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## SECURITIES ACT REGISTRATIONS

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### (S-1) AETNA BUSINESS CREDIT INC.

111 Founders Plaza, Suite 1200, East Hartford, Conn. 06108 - \$20 million of senior notes, due 1983, and \$20 million of senior subordinated notes, due 1986, to be offered for sale through underwriters headed by Warburg Paribas Becker Inc., 55 Water St., New York, N.Y. 10041. The company's principal business is the providing of commercial financing and the making of intermediate term loans and commitments for loans to clients throughout the United States. (File 2-56721 - June 29)

### (S-5) MANAGED MUNICIPAL BOND FUND, LTD.

421 Seventh Ave., Pittsburgh, Pa. 15219 - 50,000 units of limited partnership interest (shares), to be offered at their net asset value plus a sales charge, which ranges from 1/2 of 1% of the public offering price to a maximum of 1.9% of the public offering price through the principal distributor, Federated Securities Corp. Managed Municipal Bond Fund, Ltd. is a diversified open-end investment company which will primarily invest in municipal bonds. (File 2-56807 - July 9)

### (S-6) NUVEEN TAX-EXEMPT BOND FUND, SERIES 90

209 South LaSalle St., Chicago, Ill. 60604 - \$10 million of units, to be offered for sale at net asset value. The Fund is one of a series of unit investment trusts created under a trust indenture between John Nuveen & Co. Inc. as sponsor and United States Trust Company of New York as trustee. It consists of a portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest on which is, in the opinion of bond counsel, exempt from all Federal income tax under existing law. (File 2-56814 - July 12)

### STOCK PLANS FILED

The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:  
Mervyn's, Hayward, Cal. (File 2-56806 - July 12) - 250,000 shares  
United States Steel Corp., New York, N.Y. (File 2-56811 - July 12) - 3,000,000 shares

## STOCK PLANS FILED CONT.

San Francisco Real Estate Investors, San Francisco, Cal. (File 2-56812 - July 12) - 100,000 shares  
 Oklahoma Natural Gas Company, Tulsa, Okla. (File 2-56810 - July 12) - 50,000 shares  
 Marvin Josephson Associates, Inc., New York, N.Y. (File 2-56813 - July 12) - 250,000 shares  
 Wendy's International, Inc., Columbus, Ohio (File 2-56815 - July 12) - 100,000 shares

## RECENT 8K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (i.e., collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
AIKEN INDUSTRIES INC	7,14	06/76
AIRLIFT INTERNATIONAL INC	13	06/76
ALLEGHEMY BEVERAGE CORP	11	06/76
AMERICAN BANCSHARES INC	13	06/76
AMERICAN BUILDINGS CO	8	06/76
BANCAPITAL FINANCIAL CORP	12	06/76
BOYERTOWN BURIAL CASKET CO	13	06/76
BROCKWAY GLASS CO INC	7	06/76
BROWN CO	3,14	06/76
BURLINGTON INDUSTRIES INC	13	06/76
CAMPTOWN INDUSTRIES INC	11,13	06/76
CANRAD HANOVIA INC	14	06/76
CASCADE NATURAL GAS CORP	2,14	06/76
CHARTER NEW YORK CORP	13,14	06/76
CHESEBROUGH PONDS INC	7	06/76
CINCINNATI GAS & ELECTRIC CO	7,14	06/76
CITIZENS & SOUTHERN CORP	3	06/76
CITY STORES CO	2,14	06/76
CLARK EQUIPMENT CO	8	06/76
COOPER TIRE & RUBBER CO	13	06/76
DATATRON INC	13	06/76
DEANZA LAND & LEISURE CORP	1,7	06/76
DOW CHEMICAL CO	13,14	06/76
DOYLE DANE BERNBACH INC	13	06/76
DREYFUS CORP	11,14	06/76

## NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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